THE MINISTER OF CIVIL AVIATION AND TOURISM (SHRI GHULAM NABI AZAD): (a) and (b) Air India and Indian Airlines cancelled 434 and 110 flights respectively owing to restrictions placed by various countries on operation of flights and entry of Indian passengers to those countries in the wake of plague out break in India.

(c) Loss incurred by Air India on account of cancellation of flights was Rs. 29.88 crores and Indian Airlines, Rs. 28 crores.

(d) Yes, Sir.

(e) 1. Saudia
2. Emirates
3. Gulf Air
4. Biman Bangladesh
5. Pakistan International Airlines.
6. Air Canada
7. Kuwait Airways
8. Malaysian Airlines
9. Air Lanka
10. Aeroflot
11. Oman Air
12. Qatar Airways
13. Air Mauritius
14. Yemenia
15. Kazakhstan Airways

(f) Yes, Sir.

(g) and (h) Do not arise.

Fraud by Officials of Bank of Maharashtra

3282. SHRI O. P. KOHLI: Will the Minister of FINANCE be pleased to state:

(a) whether the CBI has recently unearthed a multi-crore fraud by officials of the Bank of Maharashtra.

(b) if so, the details thereof and the action taken thereon; and

(c) whether the Banks are taking any lessons from the security scam?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKARA MURtra have reported that it had noticed in 1989-90 some irregularities in pre-sanction appraisal and post sanction follow-up in respect of advances made to diffent firms of Desai Group in 1986—89. The bank had reported the matter to the Central Bureau of Investigation for conducting an investigation. The bank also filed civil suits for recovery of dues. CBI have reported that they have registered a case in February, 1994 in the matter. The CBI also conducted searches on the premises of former executives of the bank who were responsible for granting credit facilities and also the premises of the proprietor/partner of the Desai Group of Companies.

(c) The obove fraud relates to the period 1986—89 which is prior to the irregularities in securities transactions However, the public sector banks at the instance of Government and RBI have taken several steps for checking corruption and prevention of frauds. These steps include issuing of comprehensive guidelines of RBI for strengthening control mechanism in banks, setting up a Special Investigation Cell in RBI, review of fraud cases on continual basis by RBI, proper training of operational personnel, etc. RBI also monitors the progress made by the banks in implementation of various accepted recommendations of the Ghosh Committee which enquired into various aspects relating to frauds and malpractices in banks.